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July 10, 2002

Via Electronic Filing

Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, SW, Room TWB-204
Washington, DC 20554

Re: Notice of oral ex parte communications, Joint Application by BellSouth Corporation, BellSouth Telecommunications, Inc., and BellSouth Long Distance, Inc. for Provision of In-Region, InterLATA Services in Alabama, et al., WC Docket No. 02-150

Dear Ms. Dortch:

Yesterday, David Eppsteiner, Sharon Norris, Jay Bradbury, Rich Rocchini, Mike Lieberman, Cathy Pitts, Steve Turner, Alan Geolot, Mark Haddad and the undersigned, all representing AT&T, met with Gregory Cooke, Aaron Goldberger, William Kehoe, Gina Spade, Cecilia Seppings, Pam Slipakoff and Daniel Shiman, of the FCC's Wireline Competition Bureau; Steven Rangell, Denise Coca and Heidi Kroll of the FCC's Wireless Bureau; Jay Whaley of the FCC's International Bureau and Hillary DeNigro of the FCC's Enforcement Bureau. The purpose of the meeting was to preview the Comments and Affidavits that AT&T will be filing this week in the above-referenced proceeding. AT&T representatives also met yesterday with members of the DOJ's Telecommunications Task Force for the same purpose. The attached materials were presented at the meetings.

Consistent with Commission rules, I am filing one electronic copy of this notice and request that you place it in the record of the proceeding.

Sincerely,

A handwritten signature in black ink, appearing to be "JM" followed by a long horizontal stroke.

Joan Marsh

cc: Aaron Goldberger

Change Control

The backlog of feature and defect change requests on June 11, 2002 was as follows:

| | Feature Requests | Defect Change Requests |
|---------------------|------------------|------------------------|
| New | 5 | -- |
| Pending | 5 | -- |
| Candidate/Validated | 42 | 21 |
| Scheduled | 13 | 11 |
| Total | 65 | 32 |

Other than the 13 feature requests currently scheduled no other feature requests can be implemented until the May 2003 release.

The 2003 Release Plan does not have sufficient capacity to reduce the current backlog.

- Planning for the year assumed “the same program level as 2002”
 - No provisions were made to accommodate an industry standard release that BellSouth had unilaterally delayed
 - No provisions were made for a significant infrastructure improvement
- BellSouth has over allocated capacity to itself

The Georgia PSC review of the CCP has not resulted in resolution of fundamental issues.

- Filings were made last week describing the CLECs’ and BellSouth’s competing proposals.

| Characteristics of CLEC Proposal | Characteristics of BellSouth Proposal |
|---|---|
| The CLECs propose an open single, unified process to implement feature changes according to their priority, in a timely manner, and with a minimum of defects, regardless of who initiated the request. The key aspects of the CLEC proposal are: | There be separate production releases for the CLECs and for BellSouth; |
| Feature changes should be implemented within 60 weeks of their prioritization. | The CLECs could prioritize both CLEC-initiated (Type 5) and BellSouth-initiated (Type 4) changes, and could elect to have Type 4 change requests implemented in |

| | |
|---|---|
| | “their” releases; |
| No BellSouth or CLEC initiated changes should be allowed to enter BellSouth’s internal development (Steps 7-10) without first being subject to the previous steps of the CCP. | BellSouth would follow the prioritization and scheduling determined by the CLECs to be implemented in the CLEC releases” (subject to the “capacity constraints” described below) but will have sole control over what changes are implemented – and when – in the BellSouth releases; and |
| BellSouth should provide the CLECs with visibility into its internal development process. | BellSouth would implement prioritized CLEC initiated change requests within 60 days, but subject to “capacity constraints” – as unilaterally determined by BellSouth. |
| Prioritization ranking, BellSouth preliminary feature sizing model information, and BellSouth release capacity information will be used to sequence the implementation of changes in the various software releases that will occur during the 60-week interval. | |
| BellSouth may alter this sequence only with CLEC concurrence | |
| All prioritized change requests will be assigned to as many future releases as necessary to complete the sequencing process. | |

- There is no schedule for the resolution of these issues

Florida Third Party Test

Areas Not Satisfied in the Florida Test

Change Management

- The change management process has a framework to evaluate, categorize, and prioritize proposed changes.
- The change management process includes procedures for allowing input from all interested parties.
- Documentation regarding proposed changes is distributed on a timely basis.
- Criteria are defined for prioritizing and assigning severity codes to change requests.

“Due to the not satisfied evaluation criteria, it is KPMG’s opinion that significant issues remain unresolved in the PPR1 testing area.

Interface Development

- BellSouth has a software/interface methodology that addresses requirements and specification definition, design, development, testing, and implementation.
- Interface development methodology has a defined quality assurance process.
- A software and interface development methodology exists that defines the process for release management and control.

“It is KPMG’s opinion that significant issues remain unresolved in the PPR5 testing area.”

Functional Ordering/Pre-Ordering

- BellSouth’s systems or representatives provide accurate and complete error and clarification messages.
- BellSouth’s manual order process provides reject responses within the agreed upon standard interval.

“It is KPMG’s opinion that significant issues remain unresolved in the TVV1 testing area.”

Florida Third Party Test

Flow-Through

- BellSouth systems process UNE order transactions in accordance with published flow-through rules.
- BellSouth systems process LNP order transactions in accordance with published flow-through rules.

“It is KPMG’s opinion that significant issues remain unresolved in the TVV3 testing area.”

Provisioning Verification and Validation

- BellSouth’s directory assistance database contains require field inputs.
- BellSouth’s switch translations contains require field inputs.
- BellSouth provisioned switch translations and updated customer service records in accordance with the submitted LSRs
- BellSouth provisioned directory listings and updated customer service records in accordance with the submitted LSRs

“It is KPMG’s opinion that significant issues remain unresolved in the TVV4 testing area.”

Florida Third Party Test

Areas Not Complete in the Florida Test

Functional Ordering/Pre-Ordering

- BellSouth's manual order process provides expected system functionality.

Provisioning Verification and Validation

- BellSouth reports ALEC Loss of Line activity accurately.
- BellSouth meets the DS1 circuit % missed installation appointment parity performance requirement.
- BellSouth meets the IOF circuit % missed installation appointment parity performance requirement.
- BellSouth meets the DS1 circuit % of orders placed in jeopardy due to pending facilities parity performance requirement,
- BellSouth meets the IOF circuit % of orders placed in jeopardy due to pending facilities parity performance requirement
- BellSouth meets the % of troubles within 30 days of service order completion for DS1 circuit parity performance requirement
- BellSouth meets the % of troubles within 30 days of service order completion for IOF circuit parity performance requirement

Metrics

- All 542 evaluation criteria are incomplete.

Billing

- Recurring rates on UNE invoices are consistent with applicable tariffs and/or contract rates.
- Non-recurring rates on UNE invoices are consistent with applicable tariffs and/or contract rates.
- Pro-rated calculations on UNE invoices correspond with applicable tariffs and/or published definitions.

Florida Third Party Test

- Unbundled Minutes of Use are billed in accordance with BellSouth business rules, tariffs, and /or contractual terms.
- Unbundled Transport Usage charges are billed in accordance with BellSouth business rules, tariffs, and /or contractual terms
- Paper and CD ROM bills are sent timely.

Florida Third Party Test

KPMG's Review of 1st Quarter Florida Commercial Data

KPMG Issues:

The results are based on data produced by BellSouth's metrics systems, the accuracy of which KPMG has not been able to validate.

KPMG used the same statistical analysis used in the MSS report, which is based in part on methods that KPMG does not believe are appropriate.

KPMG Findings:

For the reasons stated above, KPMG cannot and does not verify the accuracy of the aggregate ALEC results or the validity of the statistical test comparing them to the Florida SQM standards.

Performance Measurements/Data Integrity

- 1. AT&T Data Integrity Issues**
- 2. Lack of Data Reconciliation/Response**
- 3. Other Data Integrity Issues**
- 4. KPMG's Audit Status**
- 5. BellSouth's Changes to Performance Measurements**
- 6. Performance Measurement Workshop Status**
- 7. BellSouth's Performance Reports Analysis**

3. Other Data Integrity Issues

- 1. Database Accuracy**
- 2. LNP Flow-Through**
- 3. Missed Appointments**
- 4. Measurement of Complex Support Group**
- 5. OSS Availability**
- 6. Completion and Jeopardy Notice Interval**
- 7. Held Order Interval**
- 8. Bell South Changes**

4. Data Integrity Status – Florida Test

Metrics which could not be tested in the PMAP 2.6 environment because accurate and complete documentation was unavailable.

| | |
|--------------|--|
| Ordering | Acknowledgement Timeliness |
| | Acknowledgment Completeness |
| | % Rejected Svc Requests (Trunks) |
| | Reject Interval (Trunks) |
| | FOC Timeliness (Trunks) |
| | FOC and Reject Completeness (Trunks and non-trunks) |
| | % Rejected Service Request (LNP) |
| | Reject Interval (LNP) |
| | FOC Interval (LNP) |
| Provisioning | |
| | Mean Held Order Interval (Trunks and non-trunks) |
| | Average Jeopardy Notice Interval & % Orders Given Jeopardies |
| | Percent Missed Appointments (Trunks and non-trunks) |
| | Order Completion Interval |
| | Average Completion Notice Interval |
| | % Completions/Attempts with no notice < 24 hours notice |
| | % Troubles in 30 days (Non-Trunks and Trunks) |
| | Total Service Order Cycle Time |
| | % Missed Appointments (LNP) |
| | Average Disconnect Timeliness (LNP) |
| | Total Service Order Cycle Time (LNP) |
| | % of xDSL Loops Tested |
| Repair | |
| | Missed Repair Appointments |
| | Customer Trouble Report Rate |
| | Maintenance Average Duration |
| | % Repeat Troubles in 30 days |
| | Out of Service greater than 24 hours |
| | Average Answer Time-Repair |

Metrics with open exceptions/issues/incomplete

| | |
|----------|---|
| Ordering | |
| (M) | OSS Response Interval (Pre/Order) |
| (M) | % Flow-Through Service Requests (Summary) |
| (M) | % Flow-Through Service Requests (Detail) |
| | % Rejected Service Requests (Non-Trunks) |
| | Reject Interval (Non-Trunks) |
| | FOC Timeliness (Non-Trunks) |

Metrics which passed PMAP 2.6 version of data integrity test, but must be re-tested under Version 4.0.

| | |
|-------------------|--|
| OSS (M) | |
| | OSS Interface Availability (Pre/Ord) |
| | OSS Interface Availability (M&R) |
| | Response Interval (M&R) |
| | Loop Make-up (Manual) |
| | Loop Make-up (Electronic) |
| Ordering (M) | |
| | Service Inquiry with LSR |
| | Speed of Answer in Order Center |
| Provisioning | |
| | Coordinated Customer Conversions |
| | Hot Cuts within Interval |
| | Coordinated Customer Conversions-Average Recovery Time |
| | Hot Cut Troubles within 7 days |
| (M) | Service Order Accuracy |
| M&R (M) | |
| | Meantime to Notify of Network Outages |
| Billing (M) | |
| | Invoice Accuracy |
| | Mean Time to Delivery Invoices |
| | Usage Data Delivery Accuracy |
| | Usage Data Delivery Completeness |
| | Usage Data Delivery Timeliness |
| | Mean Time to Delivery Usage |
| | Recurring charge completeness |
| | Non-recurring charge completeness |
| OS/DA and E911(M) | |
| | OS/DA Speed of Answer |
| | OS/DA % Answered on Time |
| | E911 Timeliness |
| | E911 Accuracy |
| | E911 Mean Interval |
| Databases (M) | |
| | Database Update Interval |
| | % Database Update Accuracy |
| | % NXX/LERG Updates |
| Trunking (M) | |

| | |
|-----------------------------|---|
| | Trunk Group Performance (Aggregate) |
| | Trunk Group Performance (ALEC) |
| Collocation (M) | |
| | Collocation – Avg. Response Time |
| | Collocation – Avg. Arrangement Time |
| | Collocation -% Due Dates Missed |
| Change Management (M) | |
| | Change Management-Timeliness of Notice |
| | Change Management –Average Delay Days |
| | Change Management-Timeliness of Documents |
| | Change Management –Average Delay Days for Documentation |
| | Change Management-Notification of Outage |
| BFR (M) | |
| | BFR % processed within X Days |
| | BFR % quotes within X Days |

M indicates that metrics are calculated manually

Flow Through and Regionality

Regional Percent Flow Through results over the past 14 months (April 2001 – May 2002) demonstrate the following:

- The Residence benchmark (95%) was never met
 - Current Residence performance of approximately 87% from February through May is down from the 90% values a year ago, 9 months ago and 10 months ago.
- The Business benchmark (90%) was never met
 - Current Business performance, 69.5% in May, has fallen each month since 75.2% was obtained in February
- The UNE benchmark (85%) is met once
 - Current UNE performance, 82.6% in May, is the lowest since December 2001
- The LNP benchmark (85%) is met every month but one
 - Current LNP performance, 89.8% in May, is the lowest since December 2001
- The use of Percent Flow Through results continues to provide a distorted view of the impact of poor flow through on the CLECs
 - Achieved Flow Through Results are significantly lower and the spread is not being reduced. (The Achieved measure excludes CLEC input errors in exactly the same manner as the Percent Flow Through measure.)
 - Residence Achieved results are typically 8 points lower
 - Business Achieved results are typically 21 points lower
 - UNE Achieved results are typically 12 points lower
 - LNP Achieved results are typically 40 points lower

State specific flow thorough data is now available and demonstrates that the regional data is not an appropriate surrogate:

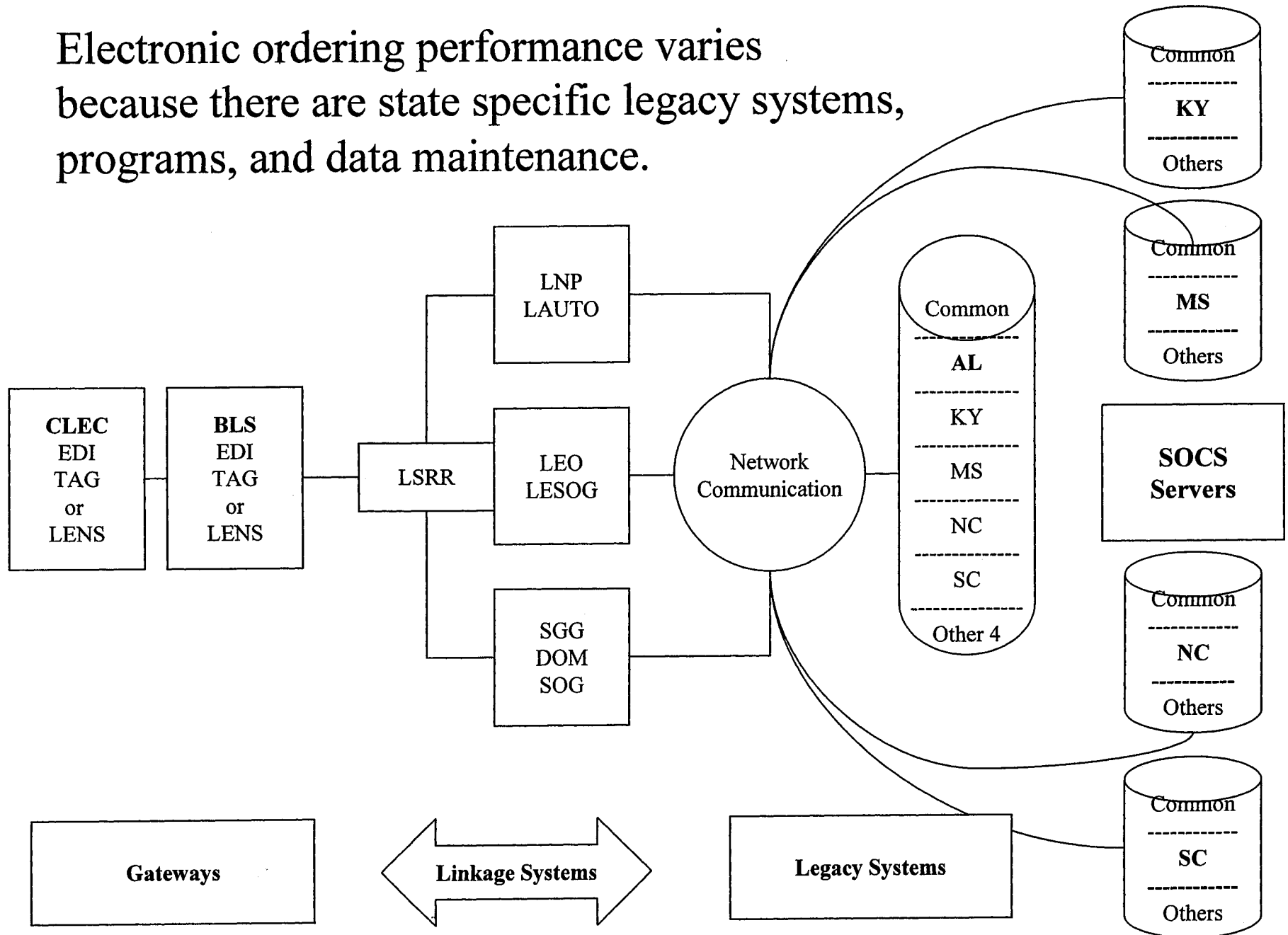
- There is significant variance in Percent Flow Thorough results between the states
 - The April high/low spread for Residence was 16 points
 - For Business 16 points
 - For UNE 16 points
 - For LNP 16 points
- The variance in Achieved results is even more pronounced
 - Residence 18 points
 - Business 15 points
 - UNE 21 points
 - LNP 74 points

- There is no widespread trend toward improvement in Percent Flow Through performance
 - In the nine states over the six months November 2001 – April 2002 only 19 of 36 measures (4 measures x nine states) have improving trend lines. 17 trend lines show no change or are declining.
 - In the five states over the same period only 12 of 20 measures have improving trend lines. 8 trend lines show no change or are declining.
- Good performance in states with high volumes masks poor performance elsewhere for example:
 - The LNP benchmark (85%) is virtually always met on the regional level
 - FL, GA, and KY LNP performance is always > 90%
 - Yet each month 2 to 5 other states miss the benchmark
 - NC has never met it
 - TN has met it only once
 - LA has met it only twice
 - At the state level the benchmark was only met 20 out of 32 possible times

Electronic ordering performance varies because there are state specific legacy systems, programs, and data maintenance.

CLEC actions can no impact reported Percent Flow Through Results.

Electronic ordering performance varies because there are state specific legacy systems, programs, and data maintenance.



CLEC Actions Can Not Impact Reported Percent Flow Through Results

The Design of the Percent Flow Through Measure in BellSouth States eliminates any impact to the reported result from changes in the level of either CLEC input errors or “designed manual fallout”. Thus the reported results are in no way dependent upon “the ability of the competing carriers” or their business plans.

Background

When an electronic LSR is submitted to BellSouth there are six possible out comes. Only one outcome (**Issued SO's**) represents success. Five of the six are used in the calculation of Percent Flow Through.

The calculation of the Percent Flow Through measure is described in the SQM as follows: (Flow Through Report Column corresponding to definition.)

$$\text{Percent Flow Through} = a / [b - (c + d + e + f)] \times 100$$

- a = The total number of LSRs that flow through LESOG/LAUTO and reach a status for a FOC to be issued. (**Issued SO's**)
- b = The number of LSRs passed from LEO.LNP Gateway to LESOG/LAUTO. (**Total Mech LSRs**)
- c = The number of LSRs that fallout for manual processing. (**Total Manual Fallout**)
- d = The number of LSRs that are returned to the CLEC for clarification. (**Auto Clarification**)
- e = The number of LSRs that contain errors made by CLECs. (**CLEC Caused Fallout**)
- f = The number of LSRs that receive a Z status. (**Pending Supps (Z Status)**)

The value for the sixth possible out come when an electronic LSR is submitted (**BST Caused Fallout**) is not used in the calculation. It is the impact of this single value that Percent Flow Through is actually measuring.

Baseline Case Study

To illustrate how this measurement eliminates the impact of CLEC errors (**Auto Clarification and CLEC Caused Fallout**) and designed manual fallout (**Total Manual Fallout**) we will examine the calculation associated with company name 204 in the March 2002 Flow Through Report. The values from the report are:

Outcome

Value

| | |
|----------------------------|--------|
| (Issued SO's) | 5,003 |
| (Total Mech LSRs) | 20,502 |
| (Total Manual Fallout) | 1,185 |
| (Auto Clarification) | 5,902 |
| (CLEC Caused Fallout) | 4,339 |
| (Pending Supps (Z Status)) | 8 |
| (BST Casued Fallout) | 4,065 |

The calculation is as follows:

$$\text{Percent Flow Through} = 5,003 / [20,502 - (1,185 + 5,902 + 4,339 + 8)] \times 100$$

$$\text{Percent Flow Through} = 5,003 / [20,502 - (11,434)] \times 100$$

$$\text{Percent Flow Through} = 5,003 / 9,068 \times 100$$

$$\text{Percent Flow Through} = \mathbf{55.17\%}$$

Reduction in CLEC Input Errors

If we assume that the CLEC had made 3,000 less auto clarification errors (approximately a 50% reduction), we can adjust the values and calculate a "revised" percent flow through. Since errors result in resubmission of LSRs, if the CLEC had made 3,000 fewer errors, there would also have been 3,000 fewer LSRs submitted. The values for this revision are: **(Changes bolded.)**

| Outcome | Value |
|----------------------------|---------------|
| (Issued SO's) | 5,003 |
| (Total Mech LSRs) | 17,502 |
| (Total Manual Fallout) | 1,185 |
| (Auto Clarification) | 2,902 |
| (CLEC Caused Fallout) | 4,339 |
| (Pending Supps (Z Status)) | 8 |
| (BST Casued Fallout) | 4,065 |

$$\text{Percent Flow Through} = 5,003 / [17,502 - (1,185 + 2,902 + 4,339 + 8)] \times 100$$

$$\text{Percent Flow Through} = 5,003 / [17,502 - (8,434)] \times 100$$

$$\text{Percent Flow Through} = 5,003 / 9,068 \times 100$$

$$\text{Percent Flow Through} = \mathbf{55.17\%}$$

The reported result is unchanged by the reduction in CLEC auto clarification input errors. The same result would occur if the CLEC had reduced its CLEC caused fallout errors, or both types of input errors, each input error reduction brings with it a one for one reduction in total mechanized LSRs and leaves the number of valid LSRs the system must handle the same – 9,068 in this case. Since there has been no improvement in the rate at which BellSouth's system makes errors the reported result is unchanged.

Reduction in Designed Manual Fallout

If instead we assume there had been an improvement that reduced the number of LSRs experiencing designed manual fallout (Total Manual Fallout) by 600 LSRs (approximately a 50% reduction), we can adjust the values and calculate a "revised" percent flow through. An improvement (reduction) in the number of LSRs experiencing designed manual fallout increases the number of successful outcomes (Issued SO's) and the number of system errors (BST Caused Fallout). The increase in both Issued SO's and BST Caused Errors results from the facts that there are now more valid LSRs for the system to operate on and the rate at which BellSouth's system makes errors has not changed. If there are 600 fewer designed manual fallouts, there will be 331 additional issued service orders and 269 additional system errors. In this case study BellSouth's system makes errors on 44.8% of valid LSRs processed. We can calculate this rate from the baseline case as 4,065 BST Caused Fallouts divided by 9,068 valid LSRs to process. The values for this revision are: **(Changes bolded.)**

| Outcome | Value |
|----------------------------|--------------|
| (Issued SO's) | 5,334 |
| (Total Mech LSRs) | 20,502 |
| (Total Manual Fallout) | 585 |
| (Auto Clarification) | 5,902 |
| (CLEC Caused Fallout) | 4,339 |
| (Pending Supps (Z Status)) | 8 |
| (BST Casued Fallout) | 4,334 |

$$\text{Percent Flow Through} = 5,334 / [20,502 - (585 + 5,902 + 4,339 + 8)] \times 100$$

$$\text{Percent Flow Through} = 5,334 / [20,502 - (10,834)] \times 100$$

$$\text{Percent Flow Through} = 5,334 / 9,668 \times 100$$

Percent Flow Through = 55.17% - no change from the reported result.

Conclusion

Thus we can see that highly significant changes in the rate at which CLECs make input errors, or the rate at which LSRs experience designed manual fallout have no impact on the reported Percent Flow Through Result as it is calculated in BellSouth's SQMs.

Current Billing Issues

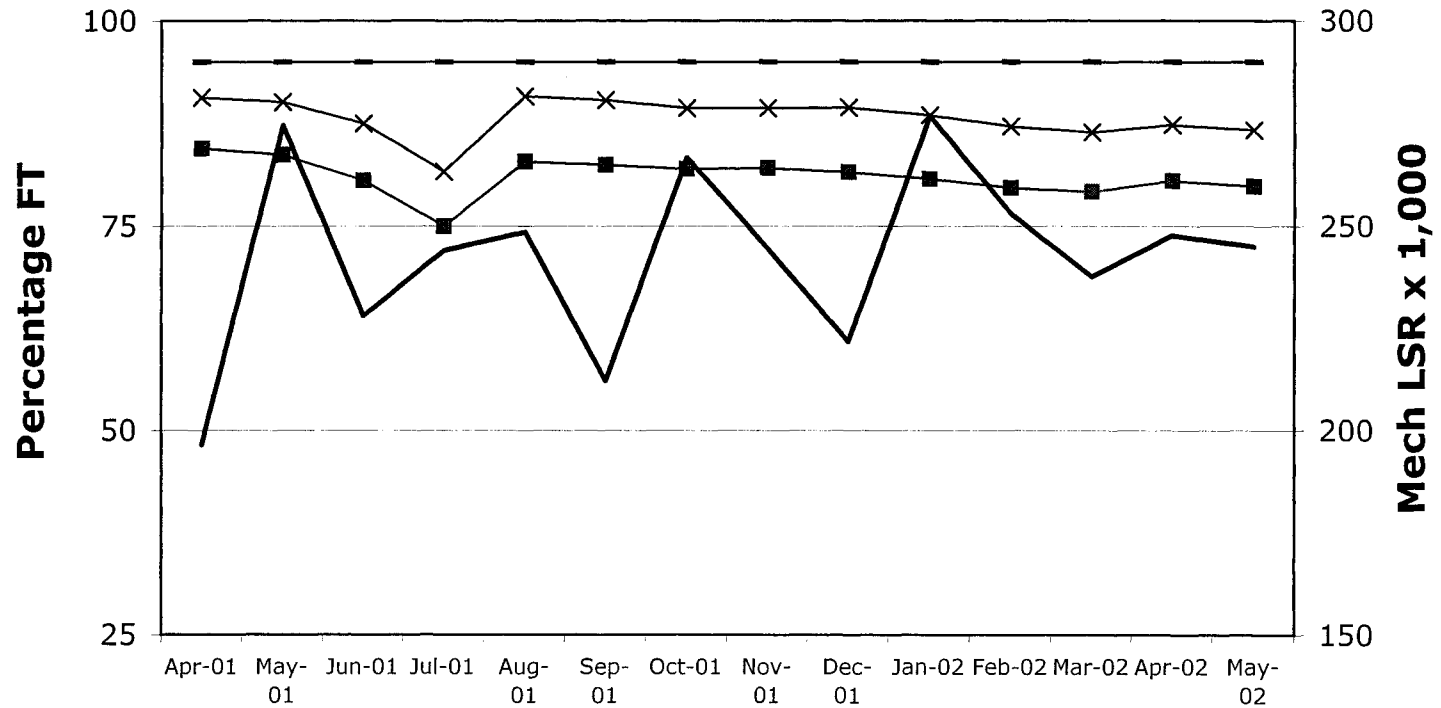
The daily usage files and wholesale bills that AT&T has received from BellSouth contain numerous errors. These errors include:

- Billing AT&T several hundred thousand dollars for originating switching charges even when the traffic originates on AT&T's switch
- Billing AT&T monthly for one time charges associated with collocations
- Failing to bill AT&T for local minutes of use for a six month period
- Sending AT&T bills on new accounts with past due balances
- Sending retail bills to AT&T
- Assessing late payment charges against AT&T when payment on bills was not overdue as defined in the parties' interconnection agreement

Under the interconnection agreement between BellSouth and AT&T, BellSouth is required to resolve a claim of billing problems within 60 days after receiving the claim from AT&T. However, BellSouth has failed to resolve billing problems in a timely manner for example:

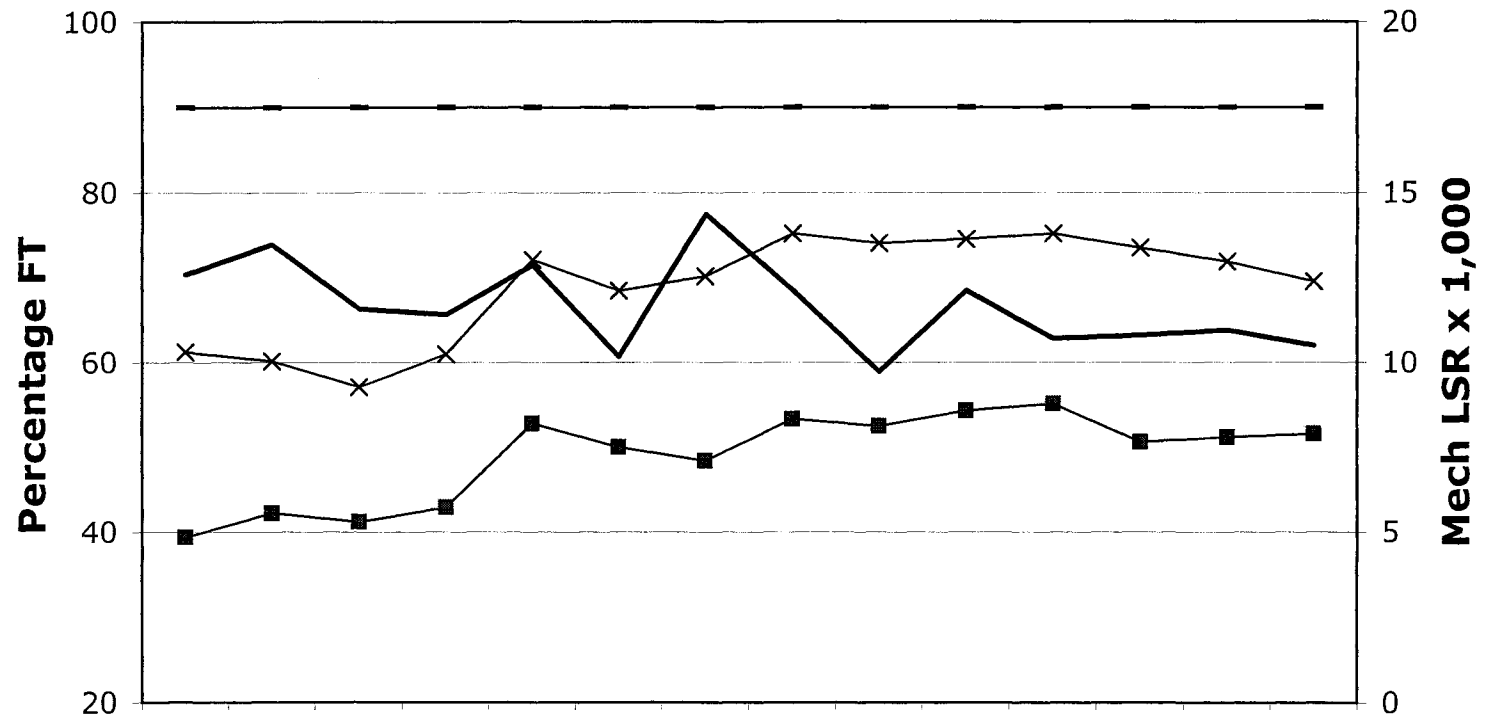
- Late payment charge claim filed August 2001, no response until June 2002
- Originating usage claim filed December 2001, no response until June 2002
- 12 of 23 claims filed between February 2001 and March 2002 were not acknowledged until more than 30 days after their submission.

Flow Through - Residential



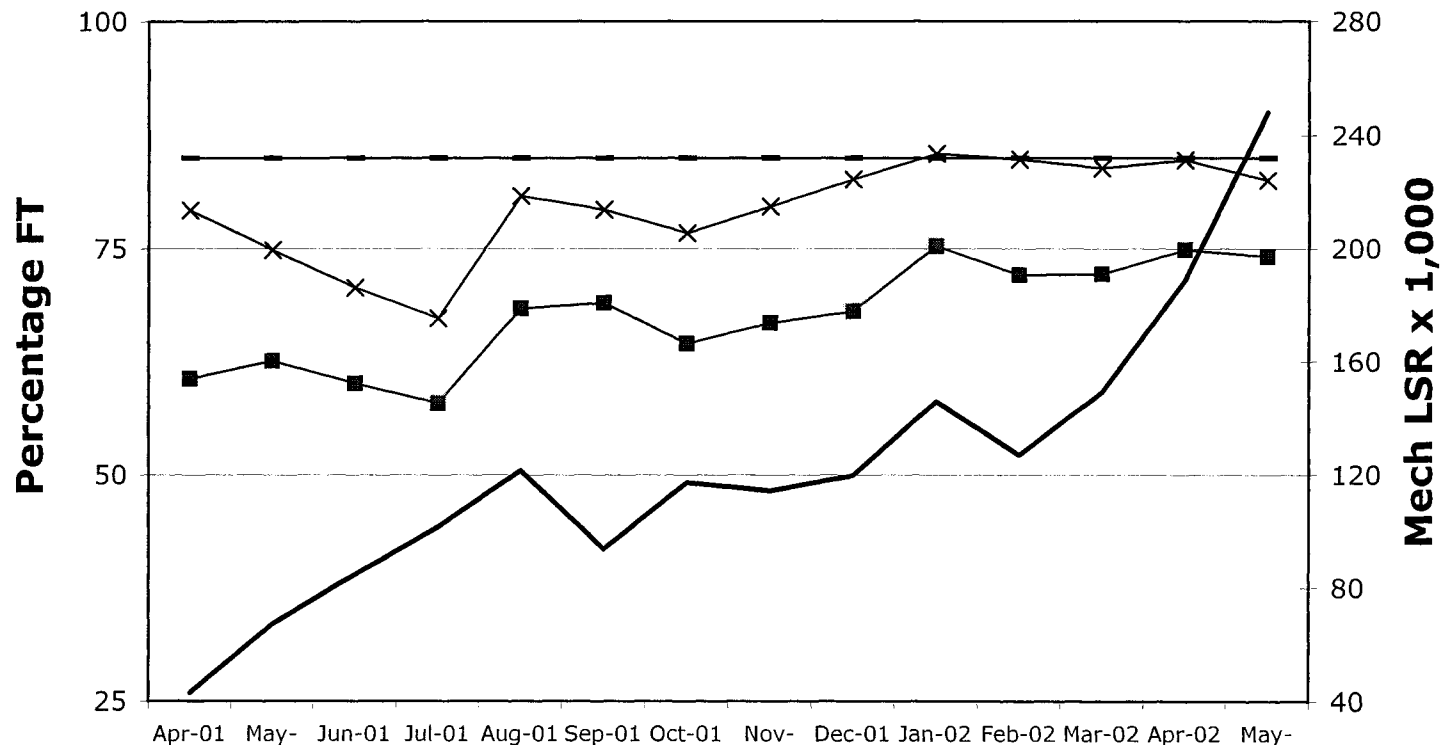
| | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 | May-02 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| — %Benchmark | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 | 95.0 |
| — x %Flow Through | 90.7 | 90.2 | 87.5 | 81.7 | 90.8 | 90.4 | 89.4 | 89.4 | 89.5 | 88.6 | 87.2 | 86.5 | 87.4 | 86.7 |
| — ■ % Achieved Flow Through | 84.5 | 83.7 | 80.6 | 75.0 | 82.9 | 82.5 | 82.0 | 82.1 | 81.6 | 80.8 | 79.7 | 79.2 | 80.5 | 79.9 |
| — Total Mech LSR's x 1,000 | 196.5 | 274.6 | 228.0 | 244.1 | 248.6 | 212.1 | 266.8 | 244.5 | 221.7 | 276.9 | 253.1 | 237.7 | 247.7 | 245 |

Flow Through - Business



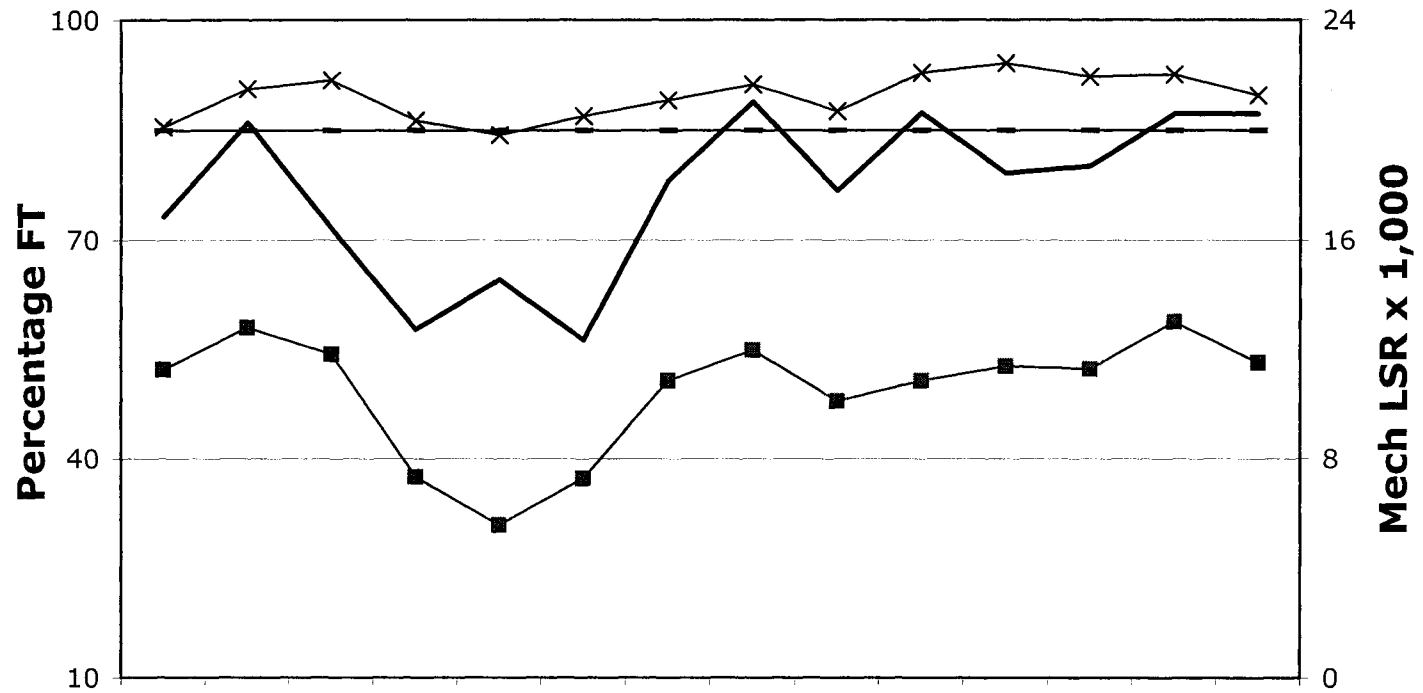
| | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 | May-02 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| — %Benchmark | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 | 90.0 |
| —x— %Flow Through | 61.3 | 60.1 | 57.1 | 61.0 | 72.1 | 68.5 | 70.2 | 75.2 | 74.1 | 74.6 | 75.2 | 73.5 | 71.9 | 69.5 |
| —■— % Achieved Flow Through | 39.4 | 42.2 | 41.2 | 42.9 | 52.8 | 50.0 | 48.4 | 53.3 | 52.5 | 54.3 | 55.1 | 50.6 | 51.2 | 51.6 |
| — Total Mech LSR's x 1,000 | 12.6 | 13.5 | 11.6 | 11.4 | 12.9 | 10.2 | 14.4 | 12.1 | 9.7 | 12.1 | 10.7 | 10.8 | 10.9 | 10.5 |

Flow Through - UNE



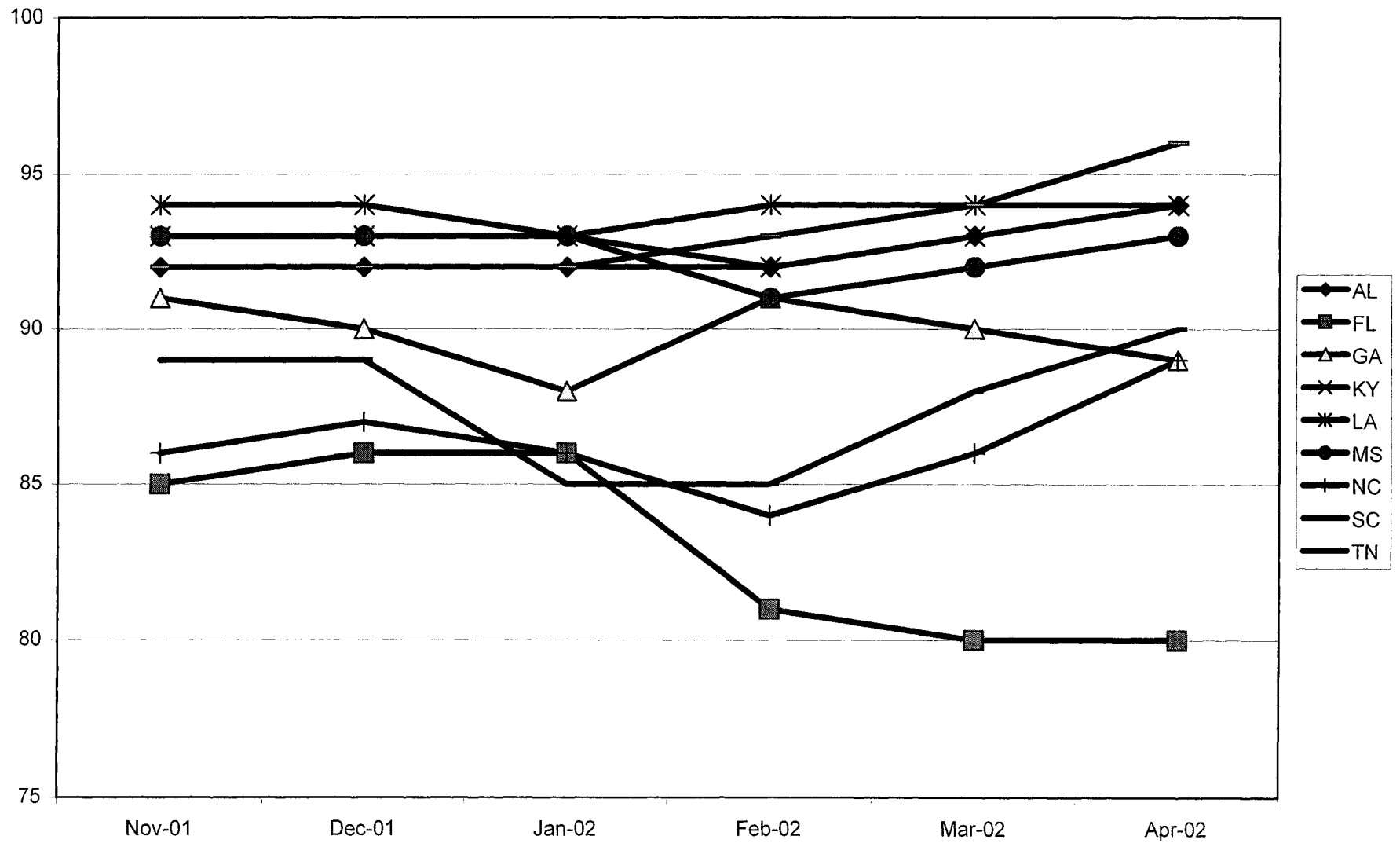
| | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 | May-02 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| — %Benchmark | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 |
| —x— %Flow Through | 79.3 | 74.9 | 70.7 | 67.3 | 80.82 | 79.3 | 76.7 | 79.7 | 82.7 | 85.5 | 84.9 | 83.9 | 84.8 | 82.6 |
| —■— % Achieved Flow Through | 60.6 | 62.6 | 60.1 | 57.9 | 68.4 | 69.0 | 64.5 | 66.8 | 68.1 | 75.3 | 72.1 | 72.2 | 74.9 | 74.1 |
| — Total Mech LSR's x 1,000 | 42.9 | 67.2 | 84.7 | 101.6 | 121.6 | 93.7 | 117.3 | 114.3 | 119.8 | 145.8 | 127.0 | 149.1 | 189.0 | 248.1 |

Flow Through - LNP

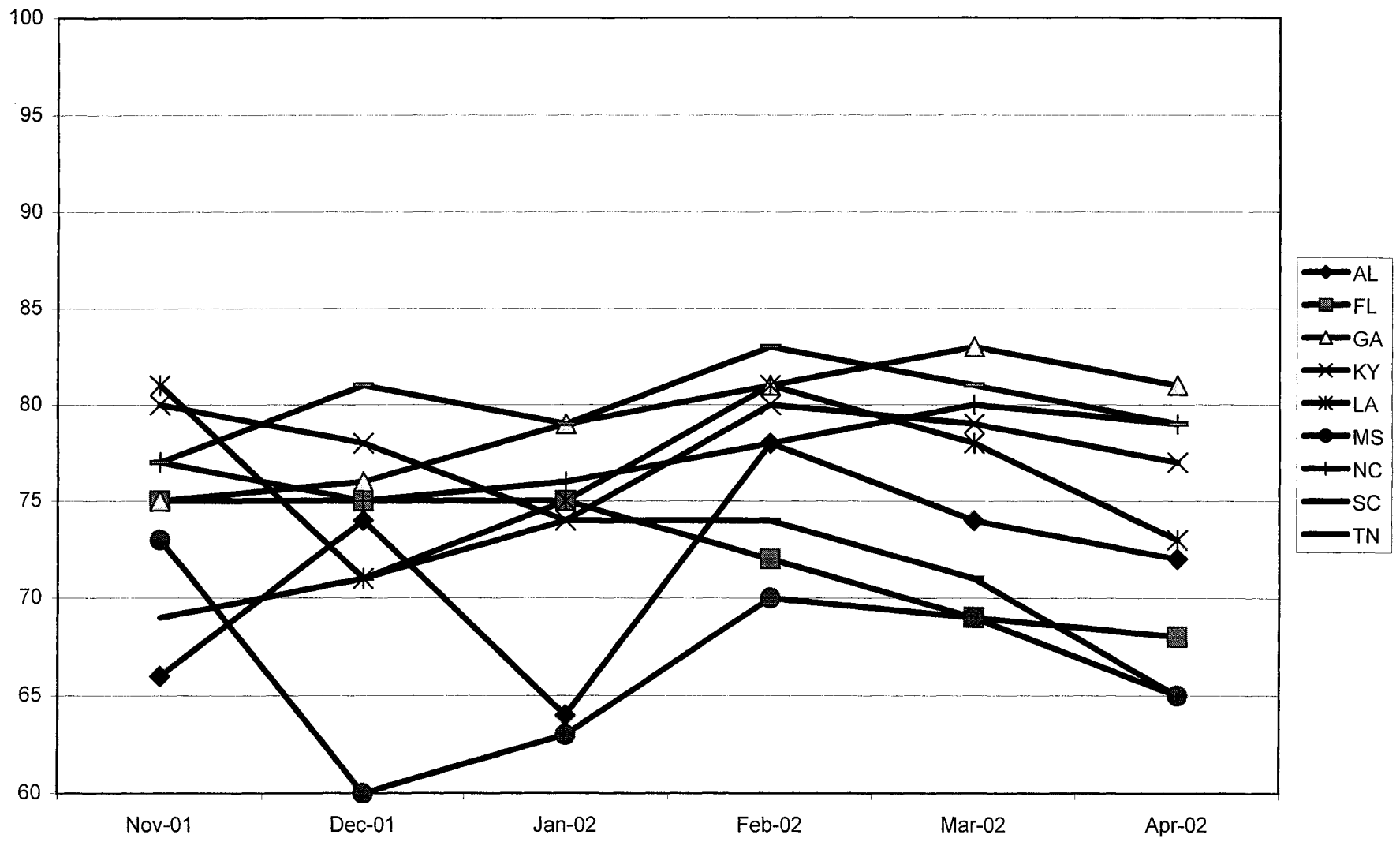


| | Apr-01 | May-01 | Jun-01 | Jul-01 | Aug-01 | Sep-01 | Oct-01 | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 | May-02 |
|-----------------------------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|--------|
| — %Benchmark | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 | 85.0 |
| —X— %Flow Through | 85.5 | 90.7 | 91.8 | 86.4 | 84.4 | 87.0 | 89.1 | 91.2 | 87.6 | 92.8 | 94.1 | 92.3 | 92.6 | 89.8 |
| —■— % Achieved Flow Through | 52.2 | 58.0 | 54.3 | 37.5 | 30.9 | 37.3 | 50.7 | 54.9 | 47.9 | 50.7 | 52.7 | 52.3 | 58.8 | 53.2 |
| — Total Mech LSR's | 16.8 | 20.3 | 16.4 | 12.7 | 14.6 | 12.4 | 18.2 | 21.0 | 17.8 | 20.6 | 18.4 | 18.7 | 20.6 | 20.6 |

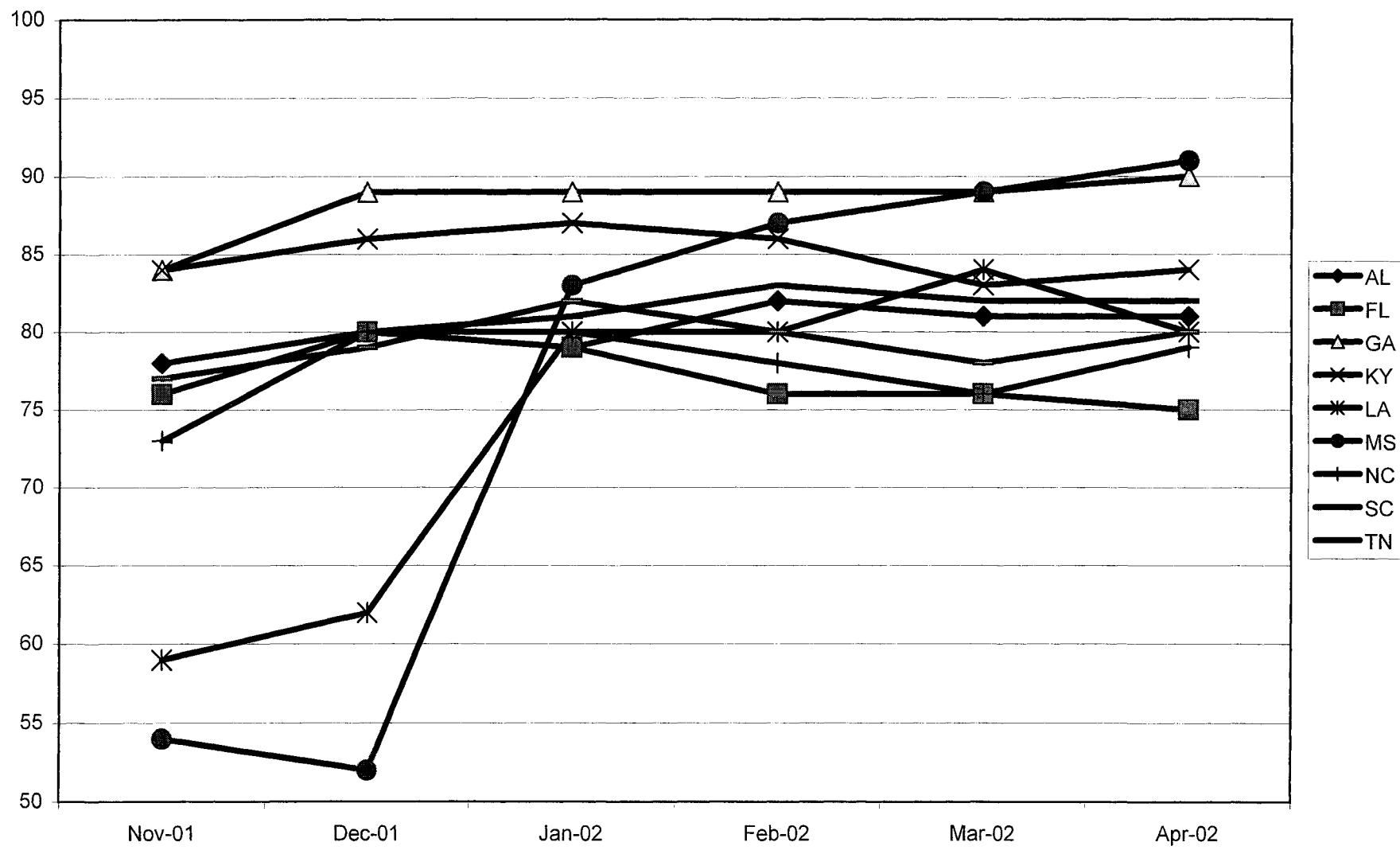
Residence % Flow Through - State Specific



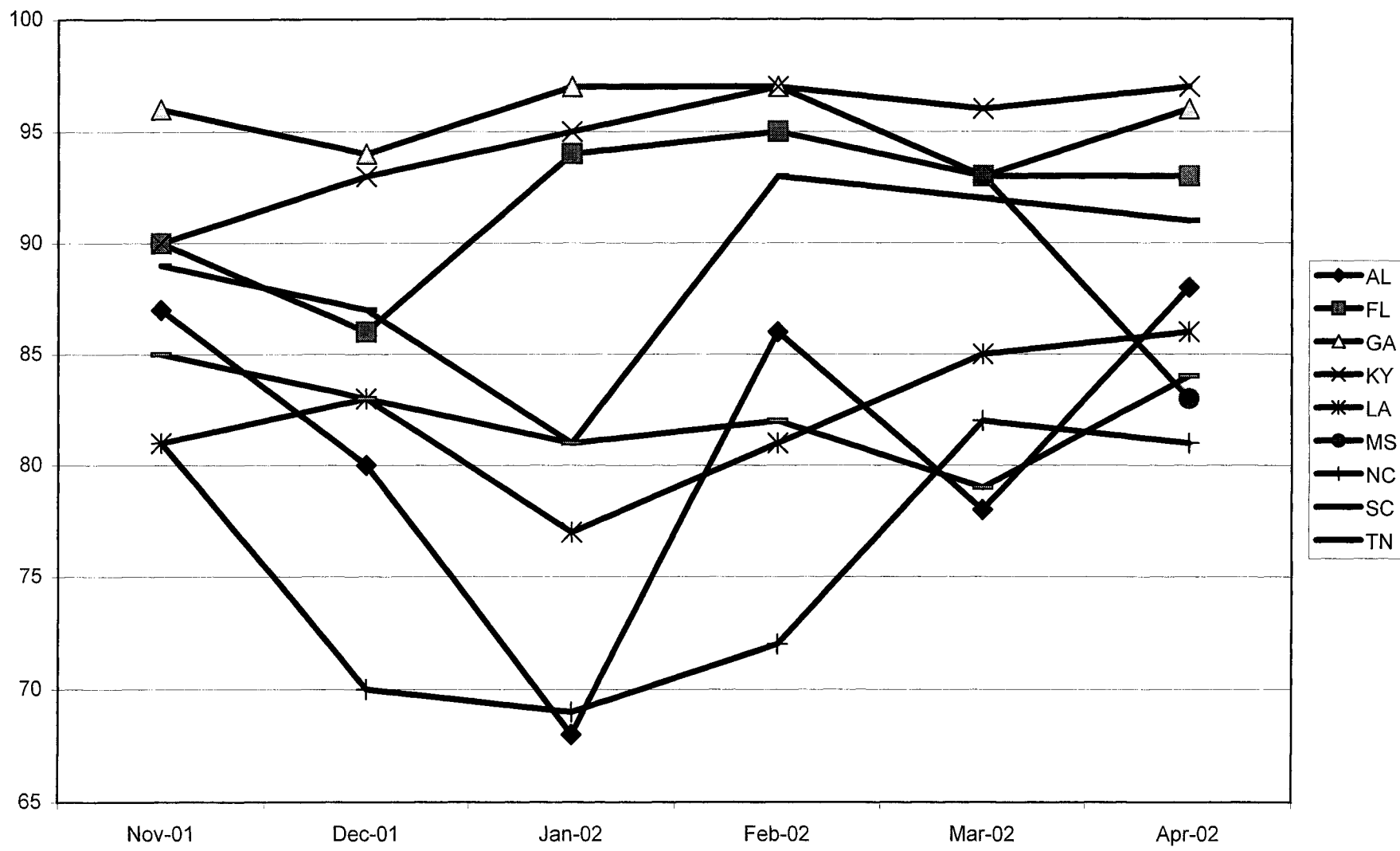
Business % Flow Through - State Specific



UNE % Flow Through - State Specific



LNP % Flow Through - State Specific



State Specific Flow Through Data

Source - Discovery Responses in TRA Docket NO. 01-00362 and Docket NO. 97-00309

Aggregate % Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 89 | 89 | 89 | 90 | 90 | 90 |
| FL | 83 | 84 | 84 | 80 | 78 | 78 |
| GA | 86 | 89 | 89 | 90 | 89 | 90 |
| KY | 90 | 91 | 91 | 90 | 90 | 90 |
| LA | 91 | 88 | 92 | 92 | 92 | 92 |
| MS | 87 | 86 | 87 | 89 | 90 | 92 |
| NC | 82 | 84 | 83 | 82 | 83 | 86 |
| SC | 87 | 87 | 84 | 85 | 87 | 88 |
| TN | 88 | 89 | 89 | 89 | 89 | 90 |

Residence % Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 92 | 92 | 92 | 92 | 93 | 94 |
| FL | 85 | 86 | 86 | 81 | 80 | 80 |
| GA | 91 | 90 | 88 | 91 | 90 | 89 |
| KY | 93 | 93 | 93 | 92 | 93 | 94 |
| LA | 94 | 94 | 93 | 94 | 94 | 94 |
| MS | 93 | 93 | 93 | 91 | 92 | 93 |
| NC | 86 | 87 | 86 | 84 | 86 | 89 |
| SC | 89 | 89 | 85 | 85 | 88 | 90 |
| TN | 92 | 92 | 92 | 93 | 94 | 96 |

Business % Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 66 | 74 | 64 | 78 | 74 | 72 |
| FL | 75 | 75 | 75 | 72 | 69 | 68 |
| GA | 75 | 76 | 79 | 81 | 83 | 81 |
| KY | 80 | 78 | 74 | 80 | 79 | 77 |
| LA | 81 | 71 | 75 | 81 | 78 | 73 |
| MS | 73 | 60 | 63 | 70 | 69 | 65 |
| NC | 77 | 75 | 76 | 78 | 80 | 79 |
| SC | 69 | 71 | 74 | 74 | 71 | 65 |
| TN | 77 | 81 | 79 | 83 | 81 | 79 |

UNE % Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 78 | 80 | 79 | 82 | 81 | 81 |
| FL | 76 | 80 | 79 | 76 | 76 | 75 |
| GA | 84 | 89 | 89 | 89 | 89 | 90 |
| KY | 84 | 86 | 87 | 86 | 83 | 84 |
| LA | 59 | 62 | 80 | 80 | 84 | 80 |
| MS | 54 | 52 | 83 | 87 | 89 | 91 |
| NC | 73 | 80 | 80 | 78 | 76 | 79 |
| SC | 73 | 80 | 81 | 83 | 82 | 82 |
| TN | 77 | 79 | 82 | 80 | 78 | 80 |

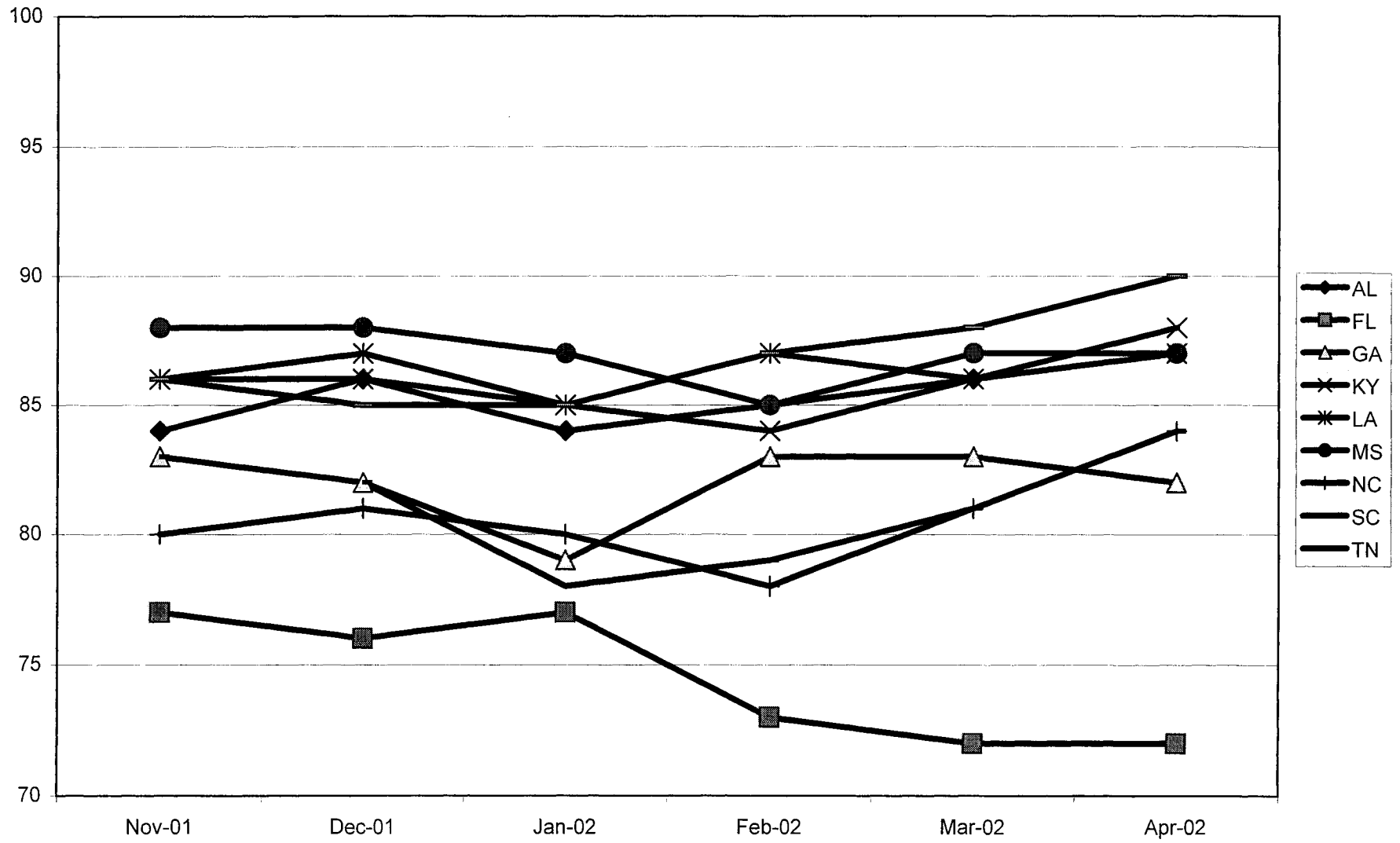
State Specific Flow Through Data

Source - Discovery Responses in TRA Docket NO. 01-00362 and Docket NO. 97-00309

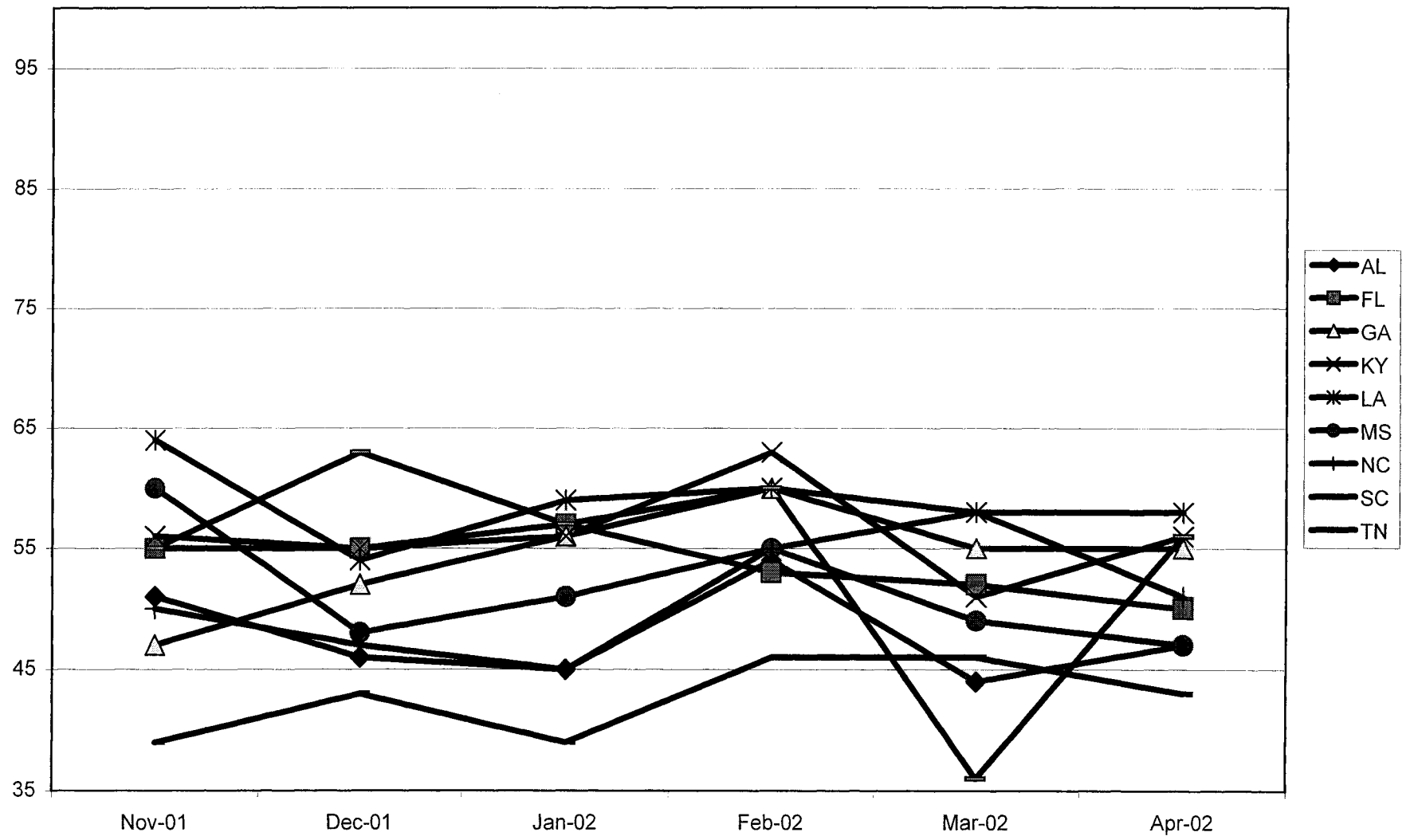
LNP % Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 87 | 80 | 68 | 86 | 78 | 88 |
| FL | 90 | 86 | 94 | 95 | 93 | 93 |
| GA | 96 | 94 | 97 | 97 | 93 | 96 |
| KY | 90 | 93 | 95 | 97 | 96 | 97 |
| LA | 81 | 83 | 77 | 81 | 85 | 86 |
| MS | | | | | 93 | 83 |
| NC | 81 | 70 | 69 | 72 | 82 | 81 |
| SC | 89 | 87 | 81 | 93 | 92 | 91 |
| TN | 85 | 83 | 81 | 82 | 79 | 84 |

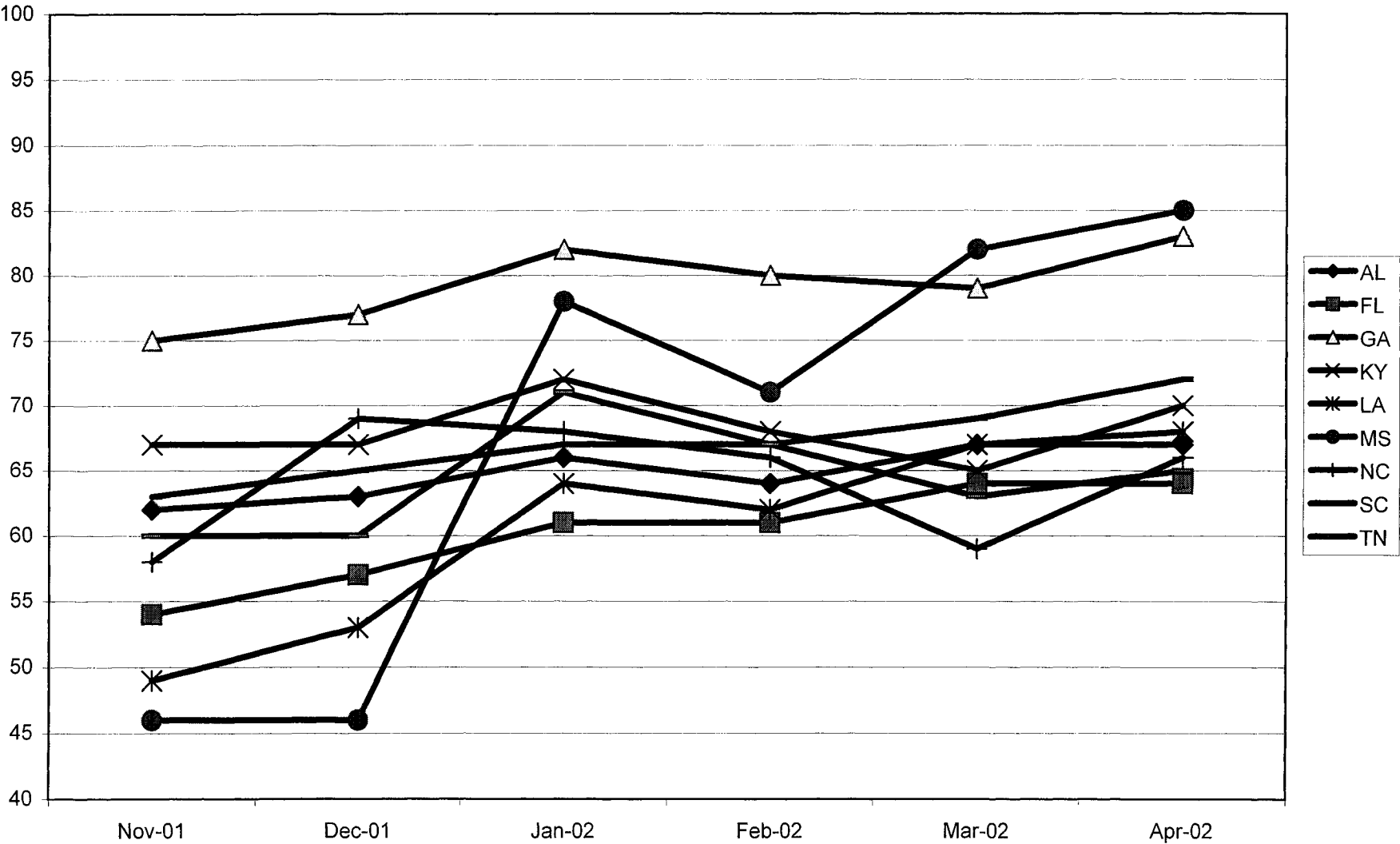
Residence % Achieved Flow Through - State Specific



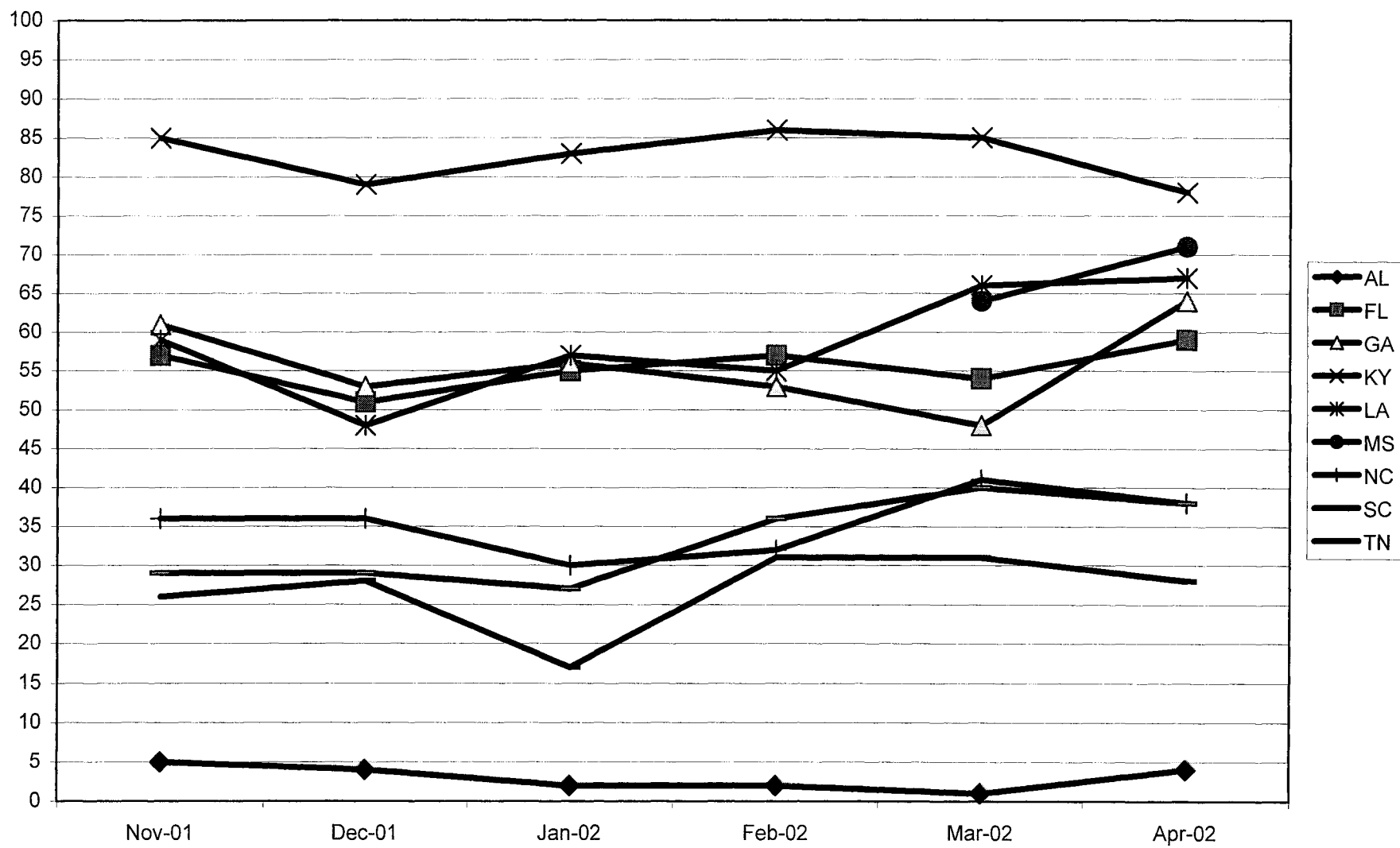
Business % Achieved Flow Through - State Specific



UNE % Achieved Flow Through - State Specific



LNP % Achieved Flow Through - State Specific



State Specific Achieved Flow Through Data
Source - Discovery Responses in TRA Docket NO. 01-00362 and Docket NO. 97-00309

Aggregate % Achieved Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 79 | 78 | 80 | 80 | 81 | 81 |
| FL | 72 | 71 | 74 | 70 | 69 | 69 |
| GA | 77 | 78 | 81 | 81 | 80 | 82 |
| KY | 80 | 80 | 81 | 80 | 80 | 81 |
| LA | 82 | 80 | 83 | 83 | 83 | 83 |
| MS | 82 | 80 | 82 | 78 | 84 | 85 |
| NC | 72 | 75 | 75 | 74 | 72 | 77 |
| SC | 79 | 78 | 75 | 76 | 78 | 81 |
| TN | 79 | 78 | 81 | 80 | 77 | 80 |

Residence % Achieved Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 84 | 86 | 84 | 85 | 86 | 87 |
| FL | 77 | 76 | 77 | 73 | 72 | 72 |
| GA | 83 | 82 | 79 | 83 | 83 | 82 |
| KY | 86 | 86 | 85 | 84 | 86 | 88 |
| LA | 86 | 87 | 85 | 87 | 86 | 87 |
| MS | 88 | 88 | 87 | 85 | 87 | 87 |
| NC | 80 | 81 | 80 | 78 | 81 | 84 |
| SC | 83 | 82 | 78 | 79 | 81 | 84 |
| TN | 86 | 85 | 85 | 87 | 88 | 90 |

Business % Achieved Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 51 | 46 | 45 | 54 | 44 | 47 |
| FL | 55 | 55 | 57 | 53 | 52 | 50 |
| GA | 47 | 52 | 56 | 60 | 55 | 55 |
| KY | 56 | 55 | 56 | 63 | 51 | 56 |
| LA | 64 | 54 | 59 | 60 | 58 | 58 |
| MS | 60 | 48 | 51 | 55 | 49 | 47 |
| NC | 50 | 47 | 45 | 55 | 58 | 51 |
| SC | 39 | 43 | 39 | 46 | 46 | 43 |
| TN | 55 | 63 | 57 | 60 | 36 | 56 |

UNE % Achieved Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 62 | 63 | 66 | 64 | 67 | 67 |
| FL | 54 | 57 | 61 | 61 | 64 | 64 |
| GA | 75 | 77 | 82 | 80 | 79 | 83 |
| KY | 67 | 67 | 72 | 68 | 65 | 70 |
| LA | 49 | 53 | 64 | 62 | 67 | 68 |
| MS | 46 | 46 | 78 | 71 | 82 | 85 |
| NC | 58 | 69 | 68 | 66 | 59 | 66 |
| SC | 63 | 65 | 67 | 67 | 69 | 72 |
| TN | 60 | 60 | 71 | 67 | 63 | 65 |

State Specific Achieved Flow Through Data
Source - Discovery Responses in TRA Docket NO. 01-00362 and Docket NO. 97-00309

LNP % Achieved Flow Through

| | Nov-01 | Dec-01 | Jan-02 | Feb-02 | Mar-02 | Apr-02 |
|----|--------|--------|--------|--------|--------|--------|
| AL | 5 | 4 | 2 | 2 | 1 | 4 |
| FL | 57 | 51 | 55 | 57 | 54 | 59 |
| GA | 61 | 53 | 56 | 53 | 48 | 64 |
| KY | 85 | 79 | 83 | 86 | 85 | 78 |
| LA | 59 | 48 | 57 | 55 | 66 | 67 |
| MS | | | | | 64 | 71 |
| NC | 36 | 36 | 30 | 32 | 41 | 38 |
| SC | 26 | 28 | 17 | 31 | 31 | 28 |
| TN | 29 | 29 | 27 | 36 | 40 | 38 |

**Linear Trend of State Specific Percent Flow Through
November 2001 – April 2002**

| State | Residence | Business | UNE | LNP |
|----------------|--|----------------------------|----------------------------|----------------------------|
| Alabama | + | + | + | + |
| Florida | - | - | - | + |
| Georgia | - | + | + | - |
| Kentucky | flat | - | - | + |
| Louisiana | flat | - | + | + |
| Mississippi | - | - | + | - |
| North Carolina | + | + | + | + |
| South Carolina | flat | - | + | + |
| Tennessee | flat | + | + | - |
| Nine States | 2 improving 7 no change or declining | 4 improving 5 declining | 7 improving 2 declining | 6 improving 3 declining |
| Five States | 2 improving 3 no change or declining | 2 improving 3 declining | 4 improving 1 declining | 4 improving 1 declining |

This analysis does not concern itself with the level of performance, only the trend in performance over time.

On a nine state basis only 19 of 36 flow through trends are improving and 17 show no change or are declining.

For the five states in this filing only 12 of the 20 flow through trends are improving and 8 show no change or are declining.

Neither the absolute variance in performance between states or the variance in trend directions are consistent with BellSouth's claim that its ordering system is regional or BellSouth's claim that there is widespread and on-going improvement in its flow through performance. The existence of this "commercial data" concerning BellSouth's state specific flow through performance makes the application of the FCC's "sameness" test, which was based upon the absence of such data, inappropriate.

**Linear Trend of State Specific Percent Achieved Flow Through
November 2001 – April 2002**

| State | Residence | Business | UNE | LNP |
|----------------|--|--|----------------------------|--|
| Alabama | + | - | + | flat |
| Florida | - | - | + | + |
| Georgia | flat | + | + | flat |
| Kentucky | + | flat | flat | - |
| Louisiana | flat | - | + | + |
| Mississippi | - | - | + | + |
| North Carolina | + | + | + | + |
| South Carolina | flat | + | + | + |
| Tennessee | + | - | + | + |
| Nine States | 4 improving 5 no change or declining | 3 improving 6 no change or declining | 8 improving 1 no change | 6 improving 3 no change or declining |
| Five States | 3 improving 2 no change or declining | 2 improving 3 no change or declining | 4 improving 1 no change | 3 improving 2 no change or declining |

This analysis does not concern itself with the level of performance, only the trend in performance over time.

On a nine state basis 21 of 36 achieved flow through trends are improving and 15 show no change or are declining.

For the five states in this filing only 12 of the 20 achieved flow through trends are improving and 8 show no change or are declining.